

ENGINEER'S REPORT

Prepared for the

CITY OF SAN DIEGO

**Central Commercial
Maintenance Assessment District**

Annual Update for Fiscal Year 2004

under the provisions of the

**San Diego Maintenance Assessment District Ordinance
of the San Diego Municipal Code**

and

**Landscape and Lighting Act of 1972
of the California Streets and Highways Code**

Prepared by

**BOYLE ENGINEERING CORPORATION
7807 Convoy Court, Suite 200
San Diego, CA 92111
(858) 268-8080**

May 2003

CITY OF SAN DIEGO

Mayor

Dick Murphy

City Council Members

Scott Peters
District 1

Brian Maienschein
District 5

Michael Zucchet
District 2

Donna Frye
District 6

Toni Atkins
District 3

Jim Madaffer
District 7

Charles Lewis
District 4

Ralph Inzunza, Jr.
District 8

City Manager

Michael T. Uberuaga

City Attorney

Casey Gwinn

City Clerk

Charles G. Abdelnour

City Engineer

Frank Belock

Assessment Engineer

Boyle Engineering Corporation

Table of Contents

Engineer's Report	
Central Commercial Maintenance Assessment District	
Preamble	1
Executive Summary	2
Background	3
District Proceedings for Fiscal Year 2004	3
Bond Declaration	3
District Boundary	4
Project Description.....	4
Maintenance, Beautification & Security	4
Contract Security.....	5
Street Lighting.....	5
Administration	5
Separation of General and Special Benefits.....	5
Cost Estimate	6
Estimated Costs.....	6
Annual Cost Indexing	6
Method of Apportionment	6
Estimated Benefit of the Improvements.....	6
Apportionment Methodology.....	7
Lot Size Factor	7
Front Footage Factor	8
Land Use Factor	8
Sample Calculation	9
Summary Results	11

EXHIBITS

- Exhibit A: District Boundary
- Exhibit B: Estimated Annual Expenses, Revenues & Reserves
- Exhibit C: Assessment Roll

Engineer's Report Central Commercial Maintenance Assessment District

Preamble

Pursuant to the provisions of the "San Diego Maintenance Assessment District Ordinance" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscape and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (being Article XIID of the California Constitution), and provisions of the "Proposition 218 Omnibus Implementation Act" (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law"), in connection with the proceedings for the CENTRAL COMMERCIAL MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as "District"), BOYLE ENGINEERING CORPORATION, as Assessment Engineer to the City of San Diego for these proceedings, submits herewith this report for the District as required by California Streets and Highways Code Section 22565.

FINAL APPROVAL, BY RESOLUTION NO. _____ ,
ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAN
DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, ON THE
_____ DAY OF _____, 2003.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

Executive Summary

Project: Central Commercial
Maintenance Assessment District

Apportionment Method: Lot Square Footage (LSF)
Linear Frontage Foot (LFF)
Land Use Trips (Trips)

	FY 2003	FY 2004 ⁽¹⁾	Maximum ⁽²⁾ Authorized
Total Parcels Assessed:	438	436	--
Total Estimated Assessment:	\$216,749	\$216,816	--
Total Number of Units:			--
<i>LSF</i>	2,877,426	2,877,406	--
<i>LFF</i>	34,829	34,829	--
<i>Trips</i>	18,516	18,481	--
Unit Assessment Rate:			
<i>\$/LSF</i>	\$0.0417	\$0.0417	\$0.0417
<i>\$/LFF</i>	\$1.7576	\$1.7576	\$1.7576
<i>\$/Trips</i>	\$1.9269	\$1.9269	\$1.9269

⁽¹⁾ FY 2004 is the City's Fiscal Year 2004, which begins July 1, 2003 and ends June 30, 2004. Total Parcels Assessed, Total Estimated Assessment, and Total Number of LSF, LFF and Trips may vary from fiscal prior year values due to parcel changes.

⁽²⁾ Maximum Authorized amount subject to cost indexing provisions set forth in this Engineers Report.

District History: The District was formed in August 2000. By a ballot proceeding, majority property owners (61 % of the weighted vote) approved annual and maximum authorized assessments, and provisions for annual cost indexing.

Annual Cost Indexing: An increase of assessments, under authority of annual cost indexing provisions, is not required for Fiscal Year 2004.

Bonds: No bonds will be issued in connection with this District

Background

The Central Commercial Maintenance Assessment District (District) was established on August 8, 2000 by Resolution R-201471 of the City Council of the City of San Diego (City). The original Engineer's Report is on file in the City of San Diego (City) Clerk's office. The District was formed primarily to address the following community interests:

- ◆ Public safety, security, and suppression of gang activity.
- ◆ Dealing with homeless and vagrancy issues.
- ◆ Maintaining and beautifying the public right-of-way through street sweeping, tree planting and trimming, graffiti cleanup and increased street lighting for pedestrian safety and encouragement.

The District has been structured around this priority of improvements, maintenance, and security services.

District Proceedings for Fiscal Year 2004

This District is authorized and administered under the provisions of the "San Diego Maintenance Assessment District Procedural Ordinance of 1986" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscape and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (being Article XIID of the California Constitution), and provisions of the "Proposition 218 Omnibus Implementation Act" (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law").

The purpose of the proposed proceedings and this Engineer's Report is to update the District budget and assessments for Fiscal Year 2004.

A public hearing will be scheduled where public testimony will be heard by the Council, and the Council may, at its discretion, adopt a resolution ordering the levying of the proposed assessments.

Bond Declaration

No bonds will be issued in connection with this District.

District Boundary

The Boundary Map & Assessment Diagram for the District is on file in the Maintenance Assessment Districts Section of the Park and Recreation Department of the City of San Diego and by reference is made a part of this report. The Boundary Map & Assessment Diagram is available for public inspection during normal business hours. The District boundary is depicted in Exhibit A.

Project Description

The District funds the following improvements/maintenance services:

The District provides the following improvements/maintenance services:

Maintenance, Beautification & Security

Maintenance crews employed by the District provide the following maintenance services:

Maintenance and Beautification

- ◆ Sidewalk and gutter sweeping (3 - 4 days per week)
- ◆ Tree and shrub planting (to be determined by Board)
- ◆ Tree watering (weekly for first two years establishment)
- ◆ Tree trimming (as needed)
- ◆ Weed removal (periodically)
- ◆ Street trash receptacle emptying (1 - 2 times per week)
- ◆ Street litter removal (as needed)
- ◆ Graffiti paint out (as needed – within 24 hours)
- ◆ Banner installation (seasonally)

Security

- ◆ Graffiti paint out (as needed – within 24 hours)
- ◆ Homeless patrolling (daily)
- ◆ Enhanced security services (to be determined by Board)
- ◆ Reporting security and safety problems to governmental agencies (as needed)

Contract Security

Security services will be provided by a contract service provider for evening or early morning hours when District maintenance crews are not working.

Street Lighting

The community anticipates receiving approximately two hundred (200) acorn style street lamps through various grants and other funding sources. The energy and maintenance for these lights will be special benefit to the District. It is estimated that when all two hundred (200) lights are installed, the energy and maintenance costs will be approximately \$20,000 per year. As lights are added, assessments will be reallocated from reserves to pay for the energy and maintenance costs to an amount not-to-exceed the maximum authorized rate (as increased or decreased for cost indexing).

Administration

Administration funds are to be allocated for service oversight, accounting and bookkeeping, office supplies, insurances and other similar costs.

Separation of General and Special Benefits

Consistent with City policy for the public at large, the City provides the District with annual contributions for landscape/tree maintenance (from the Gas Tax Fund), street sweeping once a month, energy and maintenance for minimum standard street lighting, and security (through the police department) at a standard level throughout the City. These contributions and services, reviewed and adjusted annually by the City, are considered to be "general benefit" allocated to the District. All other maintenance, operation, capital improvement, and administrative costs, which exceed the City's contribution to the public at large, are "special benefits" funded by the District.

Cost Estimate

Estimated Costs

Estimated Fiscal Year 2004 annual expenses, revenues, reserves, and assessments (provided by the City) for the District are included as Exhibit B hereto.

The budget is generally allocated in the following manner:

◆ Maintenance, Beautification & Security	62.0% of budget
◆ Contract Security	8.5% of budget
◆ Administration	15.0% of budget
◆ Street Lighting (future)	9.5% of budget
◆ Contingency	5.0% of budget

Annual Cost Indexing

At the time of ballot proceeding originally forming this district in 2000, the following provision for cost indexing was approved:

“The maximum authorized assessment established in these proceedings is authorized to be indexed (increased or decreased) annually by the factor published in the SDCPI-U or 5%, whichever is greater.”

The budget for FY 2004 has not been increased relative to the approved budget of FY 2003. Individual assessments for most properties have not changed from the past year; however, a few properties have changed land use. Assessments for these properties have been adjusted to be consistent in methodology.

Method of Apportionment

Estimated Benefit of the Improvements

The benefits of the improvements and services provided by the District are defined as follows:

Maintenance Beautification & Security: enhanced public safety and security; suppression of gang activity; reduction of vagrancy; property

owner assistance with homeless; enhanced community image; community revitalization; business revitalization; beautification of public right-of-way.

Contract Security: enhanced public safety and security during early morning and evening hours.

Street Lighting: Enhanced pedestrian safety and security.

Apportionment Methodology

The total cost of improvements and services provided by the District are assessed to the various parcels within the District boundary in proportion to the estimated benefit received by each parcel relative to the total assessments for the district. Table 1 below defines the factors, the weight of total assessments given to each factor, and the rationale for each factor utilized in the method of apportionment or formulas applied to apportion the total assessments to each parcel in this District.

TABLE 1: Apportionment Factors Summary

Factor	Weight	Rationale
LOT SIZE Lot Square Footage (LSF)	50%	Measure of a parcel's proportionate ownership or stakeholder interest in the community.
LOT FRONTAGE Linear Frontage Foot (LFF)	25%	Measure of a parcel's proportionate share of the linear frontage of right-of-way enhancement/services.
LAND USE Trips by Land Use (Trips)	25%	Measure of a parcel's proportionate contribution to the intensity of use of the public right-of-way.

The total assessment for each parcel is the sum of the assessment calculated by application of each factor.

Lot Size Factor

The Lot Size Factor is a measure of a parcel's proportionate area of ownership or stakeholder interest relative to the total area of the District, which is receiving enhanced maintenance, beautification, and security service provided by the District. This factor has been

weighted to provide a “target component” of fifty percent (50%) of the total assessment. Within the District’s boundary there is a total of 2,877,406 lot square feet (LSF). The rate of assessment applied to each lot square foot is \$0.0417 (subject to cost indexing in future years).

Front Footage Factor

The Front Footage Factor is a measure of a parcel’s proportionate share of the linear front footage (LFF) of the total front footage length of public right-of-way for which the District is providing enhanced and increased maintenance, beautification, and security services. Apportionment of services (e.g., street sweeping, street trees, graffiti removal, street lighting, etc.) in proportion to front footage is a very common practice. The front footage for each parcel has been limited to the total front footage of a parcel along the street for which the address of the parcel has been assigned. This factor has been weighted to provide a “target component” of twenty-five percent (25%) of the total assessment. Within the District’s boundary, there is a total of 34,829 LFF. The rate of assessment applied to each frontage foot is \$1.7576 (subject to cost indexing in future years).

Land Use Factor

The Land Use Factor is a measure of a parcel’s proportionate contribution to the intensity of use of the public right-of-way. This intensity of use can be quantified by the number of trips a parcel generates to and from the public right-of-way. The standard and accepted document for establishment of the number of trips generated by a parcel is the “Trip Generation Manual” as approved by the City of San Diego in September 1998. The manual bases trip generations on a rate of trips per residential dwelling unit, or per building square footages and/or lot acreage for the various classifications of non-residential land uses. The land use classification for each parcel within the District boundary has been identified. The number of daily trips generated by each parcel has been calculated based on the Trip Generation Manual.

This factor has been weighted to provide a “target component” of twenty-five percent (25%) of the total assessment. However, due to

variation of land use intensity, this target component is not achievable. The actual land-use factor was calculated such that the assessment on any parcel would not exceed that assessment which would result if the land uses were uniform and the total land use component would add up to the target component. For ease and reasonableness of calculation, land use trip generation rates have been grouped and averaged. Table 2 details the trip generation rates used for the calculation in this District.

TABLE 2: Land Use Factors

Land Use Description	Code	Land Use Factor
Single Family Residential	SFR	10.0 per dwelling unit
Multi-Family Residential	MFR	7.0 per dwelling unit
Commercial	COM	32.0 per 1000 sq ft (bldg)
House of Worship	HOW	9.0 per 1000 sq ft (bldg)
Industrial	IND	12.0 per 1000 sq ft (bldg)
Institutional	INST	14.0 per 1000 sq ft (bldg)
Parking Lot	PRK	0
Vacant	VAC	0

A rate of assessment is then applied to each trip generated by a parcel to assess for each parcel's proportionate share of the total trips generated within the District. For parcels having multiple or mixed land use, a calculation has been performed for each distinct land use on each parcel. Within the District's boundary there are a total of 398 residential units and 732,735 square feet of non-residential building area. The rate of assessment applied to each trip generated is \$1.9269 per trip (subject to cost indexing in future years).

Sample Calculation

Residential Parcel: multi-family residential land use; total lot area of 7,000 square feet; total lot front footage of 50 lineal feet; 4 dwelling units.

◆ 7,000 LSF x \$0.0417 per LSF =	\$291.90
◆ 50 LFF x \$1.7576 per LFF =	\$87.88
◆ 4 Units x 7 trips per unit x \$1.9269 per trip =	\$53.95
<i>Total Assessment =</i>	\$433.73

Non-Residential Parcel: commercial land use; total lot area of 7,000 square feet; total lot front footage of 190 lineal feet; total commercial building area of 5,000 square feet.

◆ 7,000 LSF x \$0.0417 per LSF =	\$291.90
◆ 190 LFF x \$1.7576 per LFF =	\$333.94
◆ 5,000 SF x 32 trips per 1,000 SF x \$1.9269 per trip =	\$308.30
<i>Total Assessment =</i>	\$934.14

Summary Results

The District boundary is presented in Exhibit A.

An estimate of the costs of the improvements and services provided by the District is included as Exhibit B to this report.

The assessment methodology utilized is as described in the text of this report. Based on this methodology, the Fiscal Year 2004 District assessment for each parcel were calculated and are shown in the Assessment Roll (Exhibit C).

Each lot or parcel of land within the District has been identified by unique County Assessor's Parcel Number on the Assessment Roll and the Boundary Map and Assessment Diagram referenced herein. The net assessment for each parcel for Fiscal Year 2004 can be found on the Assessment Roll.

This report has been prepared and respectfully submitted by:

BOYLE ENGINEERING CORPORATION

Eugene F. Shank, PE C 52792

Alex Bucher, EIT CA 112628

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the Assessment as shown on the Assessment Roll, together with the Assessment Diagram, both of which are incorporated into this report, were filed in my office on the _____ day of _____, 2003.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the assessment diagram incorporated into this report, was approved and confirmed by the CITY COUNCIL of said City on the _____ day of _____, 2003.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as SUPERINTENDENT OF STREETS of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the assessment diagram was recorded in my office on the _____ day of _____, 2003.

SUPERINTENDENT OF STREETS
CITY OF SAN DIEGO
STATE OF CALIFORNIA

EXHIBIT A

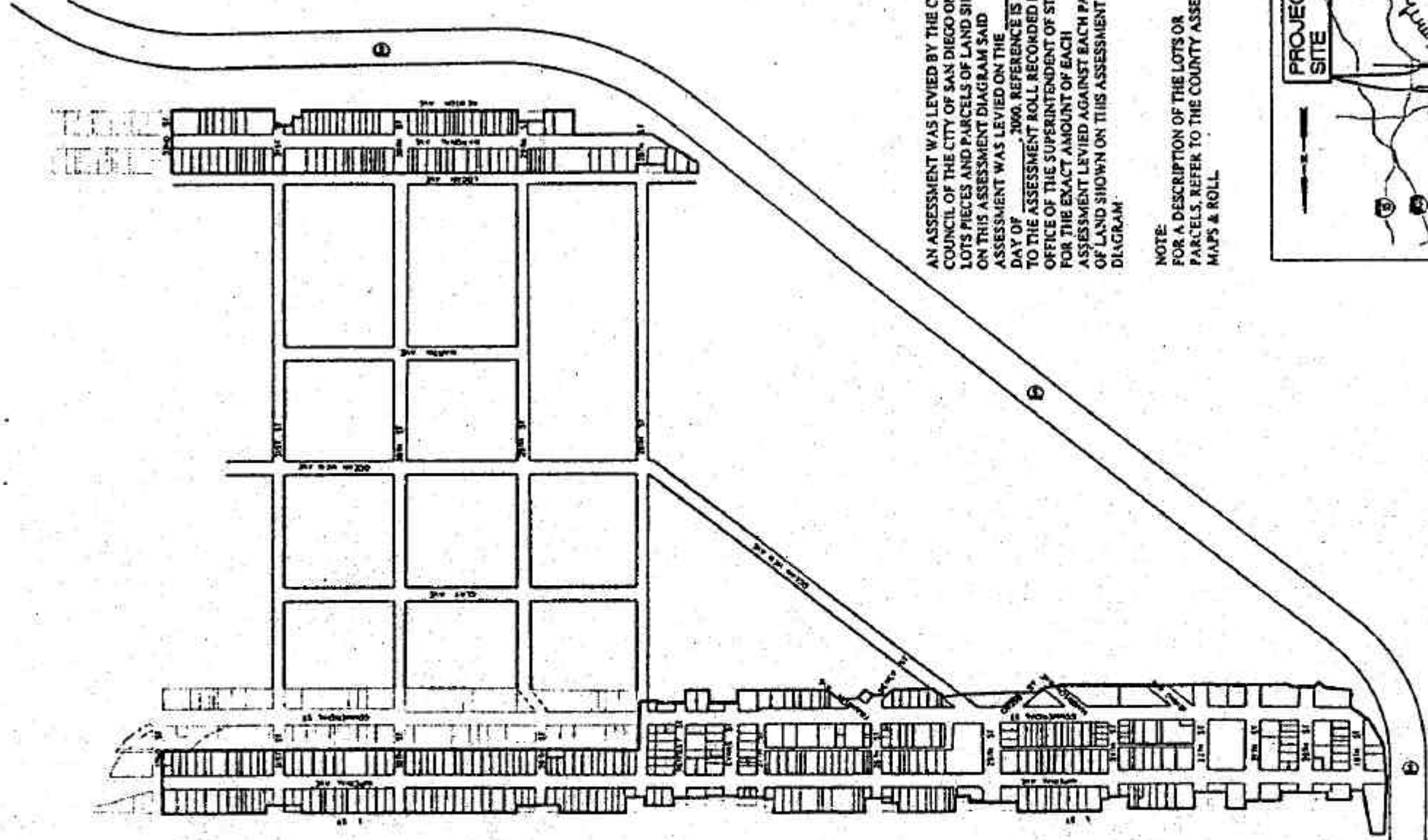


FILED IN THE OFFICE OF THE CITY CLERK OF
THE CITY OF SAN DIEGO, STATE OF
CALIFORNIA, THIS _____ DAY OF _____
2000.

CHARLES G. ABDELNOUR, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

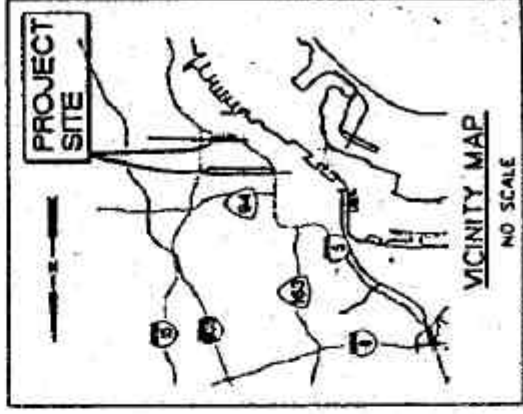
I HEREBY CERTIFY THAT THE WITHIN MAP
SHOWING PROPOSED BOUNDARIES OF THE
CENTRAL COMMERCIAL MAINTENANCE
DISTRICT, CITY OF SAN DIEGO, STATE OF
CALIFORNIA, WAS APPROVED BY THE CITY
COUNCIL AT A REGULAR MEETING THEREOF
HELD ON THE _____ DAY OF _____, 2000, BY
ITS RESOLUTION NO. _____.

CHARLES G. ABDELNOUR, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA



AN ASSESSMENT WAS LEVIED BY THE CITY
COUNCIL OF THE CITY OF SAN DIEGO ON THE
LOTS PIECES AND PARCELS OF LAND SHOWN
ON THIS ASSESSMENT DIAGRAM SAID
ASSESSMENT WAS LEVIED ON THE
DAY OF _____, 2000. REFERENCE IS MADE
TO THE ASSESSMENT ROLL RECORDED IN THE
OFFICE OF THE SUPERINTENDENT OF STREETS
FOR THE EXACT AMOUNT OF EACH
ASSESSMENT LEVIED AGAINST EACH PARCEL
OF LAND SHOWN ON THIS ASSESSMENT
DIAGRAM.

NOTE:
FOR A DESCRIPTION OF THE LOTS OR
PARCELS, REFER TO THE COUNTY ASSESSOR'S
MAPS & ROLL.



LEGEND

- ① LOT ID NUMBER
- ASSESSMENT BOUNDARY
- ADJACENT LOTS (NAP)

BOUNDARY MAP

Sheet 1 of 3



Project Design Consultants
PLANNING ENGINEERING ARCHITECTURE

CITY OF SAN DIEGO

W.O. _____ DATE: MAY, 2000

CENTRAL COMMERCIAL
MAINTENANCE ASSESSMENT DISTRICT

EXHIBIT B

Maintenance Assessment Districts

Council District: 8
Fund: 70260

Central Commercial

Central Commercial Maintenance Assessment District			
	FY 2002 ACTUAL	FY 2003 BUDGET	FY 2004 PROPOSED
Positions	0.00	0.00	0.00
Personnel Expense	\$ -	\$ -	\$ -
Non-Personnel Expense	187,328	400,237	396,506
TOTAL	\$ 187,328	\$ 400,237	\$ 396,506

The Central Commercial Maintenance Assessment District (District) was established as a self-managed District in Fiscal Year 2001 to fund streetscapes, signage, banners, beautification, sidewalk and landscape maintenance, security related services, street lighting and administration. The District is located in the Southeastern San Diego Community Planning Area, Sherman Heights neighborhood situated along Imperial Avenue from Interstate 5 to 32nd Street; Commercial Avenue from Interstate 5 to 28th Street; National Avenue from 28th Street to 32nd Street; and all side streets in between Imperial Avenue and Commercial Avenue between Interstate 5 and 28th Street. The non-profit Central Commercial District Revitalization Corporation (Corporation) manages the District.

The Fiscal Year 2004 Proposed Budget was provided by the Corporation on January 30, 2003.

CENTRAL COMMERCIAL	FY 2003 ESTIMATE	FY 2004 PROPOSED
BALANCE	\$ 137,790	\$ 170,321
Revenue		
Assessments	216,806	\$ 216,816
Interest	4,500	9,369
TOTAL OPERATING REVENUE	\$ 221,306	\$ 226,185
TOTAL REVENUE AND BALANCE	\$ 359,096	\$ 396,506
Expense		
Personnel	\$ -	\$ -
Contractual	129,280	194,845
Incidental	59,495	4,500
Utilities	-	20,425
Contingency Reserve	-	176,736
TOTAL EXPENSE	\$ 188,775	\$ 396,506
BALANCE	\$ 170,321	\$ -
Assessment Rate per Lot Square Foot (LSF) ⁽¹⁾	\$ 0.0417	\$ 0.0417
Assessment Rate per Linear Frontage Foot (LFF) ⁽¹⁾	\$ 1.7576	\$ 1.7576
Assessment Rate per Land Use Unit (Trips) ⁽¹⁾	\$ 1.9269	\$ 1.9269

⁽¹⁾ No changes in assessment rates are proposed. The District includes a total of 436 parcels, comprising 2,877,406 LSF, 34,829 LFF, and 18,481 trips.

EXHIBIT C

Due to the size of the Assessment Roll (Exhibit C), only limited copies are available. Please contact the City of San Diego, Park & Recreation Department, Open Space Division, Maintenance Assessment Districts Program at (619) 685-1350 to review the Assessment Roll.